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2550 M Street, NW Washington, DC 20037 202-457-6000

Facsimile 202-457-6315 www.pattonboggs.com

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William J. McGinley 202-457-6000 wmcginley@pattonboggs.com

## VIA EMAIL

Thomasenia P. Duncan, Esquire General Counsel Office of the General Counsel Federal Election Commission 999 E Street, NW Washington, DC 20463

AOR 2009-13

Re: Black Rock Group Advisory Opinion Request

Dear Ms. Duncan:

Pursuant to 2 U.S.C. § 437f and 11 C.F.R. § 112.1, The Black Rock Group ("BRG"), through counsel, hereby submits this request for an Advisory Opinion. Specifically, BRG is requesting an advisory opinion regarding the application of the Federal Election Campaign Act of 1971, as amended (the "Act"), and Federal Election Commission ("Commission") regulations to consulting services it intends to provide to multiple clients who will sponsor independent expenditures advocating the election or defeat of clearly identified federal candidates.

Established in 2009, BRG is a Delaware LLC. BRG is a strategic communications and public affairs firm providing communication, earned media, and grassroots messaging services to its clients. BRG intends to approach multiple individuals and suggest that each individual establish a Limited Liability Company ("LLC") pursuant to FEC AO 2009-02 for the sole purpose of sponsoring independent expenditures that expressly advocate the election or defeat of one or more federal candidates. It is also anticipated that BRG may be approached by other individuals who have already established, or are contemplating establishing, an LLC for the purpose of sponsoring independent expenditures. As explained below, BRG will offer strategic communication and general consulting services to individuals who establish single member LLCs.

Each LLC will have an individual who serves as the LLC's sole member and manager, and each LLC will constitute a disregarded entity for federal income tax purposes. The sole member will also be the sole source providing capital contributions from his or her personal funds to his or her LLC. No LLC will engage in any for-profit business activities, receive income from any other types of activities, or accept donations from any other individual or entity. It is anticipated that some LLCs will sponsor independent expenditures for or against one federal candidate, and others will sponsor independent expenditures for and against multiple federal candidates. It is



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further anticipated that more than one of the LLCs will sponsor independent expenditures for or against the same federal candidate.

Each LLC's sole member will retain ultimate control concerning the timing, content, method of communication, and the candidate referenced in each independent expenditure sponsored by his or her LLC. Moreover, each LLC will spend more than \$1,000 per calendar year on independent expenditures. It is anticipated that each LLC will sponsor independent expenditures in the form of television, radio, direct mail, phone bank, and print advertisements. Pursuant to the Commission's guidance in FEC AO 2009-02, each LLC will comply with the limitations, and disclaimer and disclosure requirements applicable to individuals.

BRG's services will include advising its clients regarding the development of messages that effectively support or defeat the federal candidates identified by the client, as well as managing other consultants such as pollsters, media production, media placement, direct mail and phone vendors who will also provide services to each client. The same BRG personnel will service all of the LLC clients and BRG will not establish any firewalls that will prevent the BRG staff working for each LLC from discussing the private plans, strategies, activities and needs with the personnel working for other LLCs. Moreover, it is anticipated that BRG will facilitate communication among various LLCs by scheduling conference calls or meetings between certain LLCs, or passing along messages between the LLCs. However, for purposes of this Advisory Opinion request, please assume that BRG, its LLC clients and any other vendor providing services to each LLC will not coordinate with any federal candidate or political party committee as set forth in 11 C.F.R. § 109.21.

The Act and Commission regulations define a "political committee" as "any committee, club, association, or other group of persons which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 in a calendar year." 2 U.S.C. § 431(4)(A); 11 C.F.R. § 100.5(a). In <u>Buckley v. Valeo</u>, the United States Supreme Court limited the application of this definition to "organizations that are under the control of a candidate or the major purpose of which is the nomination or election of a candidate." 424 U.S. 1, 80 (1976).

BRG's services for the various LLCs will not convert its clients into one large "political committee" as defined by Act and Commission regulations. Each LLC will be a separate and distinct entity having only one member, who is also the sole manager and funder of the LLC. Ultimate control regarding the timing, placement and method of communication will reside with the individual who is the sole member, manager and funder of the LLC. BRG's role will be to advise each LLC concerning how best to communicate his or her views on federal candidates, including best practices and messages gleaned from the other LLCs.



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Accordingly, BRG seeks guidance from the Commission with respect to the following questions:

- 1. May BRG, as described above, serve as a common vendor among various LLCs sponsoring independent expenditures pursuant FEC AO 2009-02 concerning the same federal election or candidates without triggering political committee status for one or more of the LLCs?
- 2. May BRG, as described above, serve as a common vendor among various LLCs sponsoring independent expenditures pursuant FEC AO 2009-02 concerning different federal candidates and elections without triggering political committee status for one or more of the LLCs?
- 3. May BRG, as described above, serve as a vendor to one LLC sponsoring independent expenditures pursuant FEC AO 2009-02 concerning different federal candidates and elections without triggering political committee status?
- 4. Do the answers to Questions 1 and 2 above change if none of the LLCs are in direct communication with any of the other LLCs, or if BRG does not pass messages between various LLCs?

As discussed above, BRG, through counsel, respectfully requests that the Commission confirm that BRG's services and the sharing of information between the various LLCs will not trigger political committee status for one or more of the LLCs, or for the LLCs collectively.

Thank you for your prompt attention to this request. Please do not hesitate to contact me with any questions.

Respectfully submitted

William J. McGinley